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## FISCAL IMPACT REPORT

SPONSOR Ortiz y Pino DATE TYPED 3/14/05 HB \_\_\_\_\_

SHORT TITLE Oil & Gas Industry Regulation Efficiency SB SM 27/aSRC

ANALYST Aguilar

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HM 39

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Energy, Minerals and Natural Resources (EMNRD)

### SUMMARY

#### Synopsis of SRC Amendment

The Senate Rules Committee amendment to Senate Memorial 27 clarifies that the Oil Conservation Division as a part of its review will solicit input from stakeholder groups and further specifies members of those groups. The amendment further requests the division report its findings to the LFC and the revenue stabilization and tax policy committee by December 1, 2005.

#### Synopsis of Original Bill

The memorial requests the Oil Conservation Division conduct a study, with input from stakeholder groups, of the adequacy of the Oil and Gas Act to provide authority for effective regulation of the oil and gas industry and of the adequacy of the staffing and funding of OCD to carry out that mission.

OCD is requested to report its conclusions and recommendations (including proposed amendments to the act) to the 2006 session of the Legislature.

**FISCAL IMPLICATIONS**

The study will require staff and other resource commitment to complete. These costs are not included in the memorial. The agency will be required to absorb these costs within existing budgets.

**PA/yr:lg**